



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant: Peterson Examiner: Kiran K. Shrestha
Application Number: 10/716,893 Art Unit: 2173
Confirmation Number: 8694
Filing Date: November 18, 2003
Title: INTERACTIVE RISK MANAGEMENT
SYSTEM AND METHOD

**SUPPLEMENTAL DECLARATION OF
PRIOR INVENTION UNDER 37 C.F.R. § 1.131**

I, Gary E. Peterson, declare as follows:

1. I reconfirm that I conceived and invented the subject matter of the above-identified application prior to December 16, 2002, as stated in my previous "Declaration of Prior Invention Under 37 C.F.R. Section 1.131" signed by me and dated December 19, 2007, and as supported by the evidentiary documents submitted with that Declaration and filed in the above-identified application.

2. I have read the accompanying Declaration of Robert P. Catalano signed on June 23, 2008 submitted concurrently herewith, and confirm its accuracy based on my own knowledge of the facts recited, and on information and belief. I have served as the president of IMAG, Inc., the assignee of this application, since June, 1993 and I have supervised and directed the work of Mr. Catalano and others as employees of IMAG, Inc. as part of my duties.

3. Not later than October of 2002, I conceived of the use of graphical representations of processes in an organization as well as risk identification through the use of three-dimensional mapping of such processes with associated risk identification and risk

messages, with the proposed three-dimensional mapping being displayed and interactively accessed and controlled by a user.

4. Shortly after my conception of the invention in October of 2002, I verbally described my new mapping system to Robert P. Catalano and directed him to implement my concept of the three-dimensional mapping of processes by the use of graphical representations of processes in an organization as well as risk identification in a manner that would enable a user to identify, define and evaluate the risk in the operation of a business.

5. Subsequently, and by not later than November of 2002, Robert P. Catalano provided me with a working prototype of a system and method to implement a three-dimensional mapping of processes by the use of graphical representations of processes in an organization, consistent with the invention as I originally conceived and described it to him.

6. I have reviewed pending claims 1-20 of this application and I have determined that these claims accurately reflect and represent the invention as I originally conceived it in October of 2002.

Claim 1 is reproduced below for convenient reference.

“1. (original) An interactive risk management systems comprising:

a computer including:

a processor;

an input device;

a display for displaying a graphic user interface including a browser;

a memory; and

a mapping of a plurality of processes and at least one risk message associated with at least one of the plurality of processes stored in the memory;

wherein the processor, in response to user selections through the input device, displays to the user through the browser the mapping of the plurality of processes, with each of a set of the displayed processes having an associated user actuatable display region; and

wherein the processor, in response to user actuation of an actutable display region of a selected process, displays to the user through the browser at least one risk message associated with the selected process, thereby allowing the user to gain information about the selected process and its associated risks.”

My conception was of “an interactive risk management system” as set forth in the first line of claim 1. The system was to operate on a general purpose computer which includes each of the elements of “a processor; an input device; a display device for displaying a graphic user interface including a browser; and a memory” as recited in claim 1. A graphics program such as the VISIO® program represents “a mapping of a plurality of processes and at least one risk message associated with at least one of the plurality of processes” which were functionally “stored in the memory” as further required by claim 1.

The system of my invention performs in response to a user manipulating the cursor via the mouse to display the mapping of the plurality of processes and where each of the set of displayed processes had a region upon which the user could “click” and when the user clicked on a display region for a given process, a risk message associated with the selected process would be displayed on the screen to provide information about the selected process and its associated risk. These aspects of the system were developed by Robert P. Catalano under my direction during the period October/November 2002 are described in the final two paragraphs of claim 1, beginning with the word “wherein”.

6. Referring to claim 2, as will be apparent to one familiar with this business, the system must be made available to a significant number of employees involved with managing the operations, processes and the associated risks of a banking or financial institution and IMAG conducted its business with the understanding that a network would be provided by the user of its systems, as set forth in claim 2.

7. It was well known in the art at the time in 2002 that the computer network could be operated as an Intranet as required by claim 3; or that the system could operate over the Internet. Since IMAG's customers typically maintained international operations, the internet was commonly used as the basis for establishing communications from between offices and operations located in different states and even countries.

8. Claim 5 describes the substantially routine functioning of the retrieval of data from memory by clicking on a display region on the monitor during use of the system. The inclusion of hyperlinks in the system, as recited in claim 6, was a particularly important aspect of this system as originally conceived by me and communicated to Robert P. Catalano for implementation in the working prototype of my invention. To the best of my knowledge, this use of a hyperlink in a risk analysis and management mapping system was not being used by others. The value of hyperlinks to government regulatory agency databases and law files that were continuously updated by the agency and other governmental sources was apparent to Robert P. Catalano and others at IMAG after its conception by me was discussed. This feature of our system was also quickly accepted by our target market and became an important selling feature to customers who had previously been obliged to devote substantial personal time and effort to identifying and retrieving current rules and regulations. So far as I was aware in October/November 2002, no product was being marketed by any third party for use in evaluating risk that included a hyperlinking feature or function such as that incorporated into the mapping product that we were developing.

9. Based upon my understanding of the subject matter of claim 12, it describes the same subject matter, elements and features that I have reviewed above with reference to claim 1,

but they are presented grammatically as steps in a method that would be followed in using the system of claim 1.

10. I have no doubt that the work that I have described above in developing the system and method of claims 1 and 12 was undertaken in accordance with my initial direction in October and November of 2002. In connection with the first commercial presentation of this new system and methodology, Robert P. Catalano prepared a front piece for use by me during my initial demonstration to customers. Attached is a color reproduction from an office computer file maintained by Mr. Catalano of that front piece which is identified as RPC Exhibit A-1. It is a multi-color disk format showing each of the five rings in a different color and each is divided into subject matter relevant to the processes and operations of the institution, which in the case of the first demonstration was a bank.

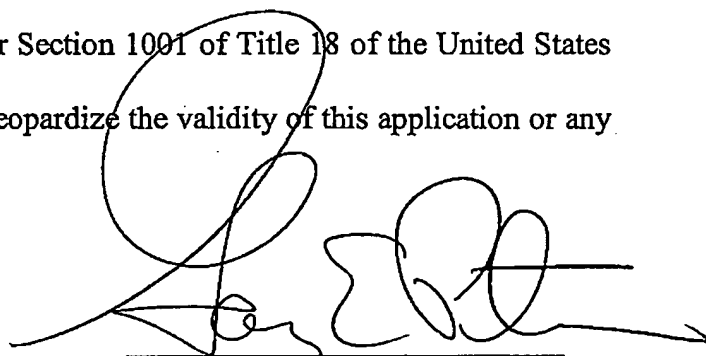
In the terms of claims 1 and 12, each one of the segments in the adjacent rings of RPC Exhibit A-1 is an "actuatable display region". By clicking on one of those segments, the mapping program was accessed and the underlying process would begin to be displayed in formats comparable to that described by me above with reference to RPC Exhibits A2 through A-7. Beginning with a mouse click of the cursor on one of the segments, the user can drill down through as many layers of the process map as desired and identify risk messages along the way. Risk messages also included hyperlinks to relevant rules and/or laws.

An operable prototype was developed by Robert P. Catalano under my direction during the period of October/November 2002 which included the operation of the system and method of claims 1 and 12, respectively. The prototype was based on generally accepted industry practice for the Account Opening process. This prototype was demonstrated to a potential customer on December 12, 2002.

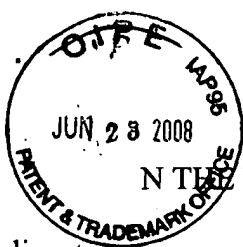
Customer acceptance of IMAG's new mapping system corresponding to claim 1 was immediate and the first customer's project was completed and delivered on or about January 2003. Subsequent demonstrations to other prospective users were followed by purchase orders for the new product that operated in accordance with the claims 1 and 12 of this application and it has enjoyed great commercial success since its introduction.

I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment or both under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of this application or any patent issued thereon.

Date: June 23, 2008



Gary E. Peterson



UNITED STATES PATENT AND TRADEMARK OFFICE

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DECLARATION OF ROBERT P. CATALANO

I, Robert P. Catalano declare as follows:

1. I am, and have been, employed by IMAG, Inc. ("IMAG") since early 1994 as a Consultant and then a full time salaried employee in 1995 as a Director. I have been and currently am responsible for procedural, operational and management risk analysis, utilizing the interview process and translating the results of these reviews into multi-dimensional process maps. IMAG, Inc. is the assignee of this application.

2. I have read and am familiar with the subject matter set forth in claims 1 through 20 that are currently pending in this application. I have also read and understand the content of the "Declaration of Prior Invention Under 37 C.F.R. Section 1.131" signed by Gary E. Peterson and dated December 19, 2007; and the Supplemental Declaration of Prior Invention Under 37 C.F.R. Section 1.131, signed on June 23, 2008 by Gary E. Peterson.

Mr. Peterson who is the inventor named in this application is the President of IMAG and has the direct organizational authority for assigning the projects on which I work and defining their scope. At least as early as October of 2002, Mr. Peterson conveyed his concept to me for a

new system and method for identifying, defining and evaluating the risk in the operation of a business. Specifically, IMAG was engaged in consulting with international banking and finance institutions whose operations were (and are) subject to extensive laws, rules and regulatory schemes imposed by federal, state governments and regulatory authorities. Failure to comply with these laws and regulations can have a serious negative impact on the operation of the business, including adverse publicity, the imposition of fines, civil and criminal prosecutions and the termination of licenses. As will be appreciated, the web of such rules and regulations is complex and assurance of compliance by all levels of management and operations within an enterprise can impose a serious burden.

3. During the months of October and November of 2002, I was assigned the task by Mr. Peterson of developing a system for use by a business organization by which all processes at all levels of operation would be mapped in complete and comprehensive detail for the purpose of identifying risks quickly and comprehensively. By way of example, and to provide an illustration of this somewhat abstract concept, I have prepared the attached series of sheets identified collectively as RPC Exhibit A, consisting of seven pages.

RPC Exhibit A-1 is known in the art as a “front piece” and is a simple block diagram of the overall organizational structure of a business. The subsequent pages as RPC Exhibits A-2, A-3, A-4, A-5, A-6, and A-7 represent the simplified process charts for a given activity, e.g., starting with RPC Exhibit A-2 Funds Transfer; Outgoing Overview, RPC A-3 includes Verification; process leading up to OFAC Process, and within the OFAC function of Exhibits A-4 to A-7, the OFAC Control process.

4. In order to proceed with the development of a new system and method for risk identification as directed by Mr. Peterson, I set out to evaluate the capabilities of various types of

software that were presently on hand and available to me at IMAG's office. I determined by actual trial that one program was particularly suitable for the level of mapping that would be required to enable the system and method. This program is sold under the trademark MICROSOFT VISIO® by Microsoft Corporation. Once I determined its utility for the defined task, I did not test any other programs, but others may well have existed.

5. With the VISIO® software installed on my desktop computer at the offices of IMAG, I proceeded with the entry of various process steps for a number of different processes of the type that are customarily associated with the organization and operation of banks and similar financial institutions.

Claim 1 is reproduced below for convenient reference and my explanation of the steps that I took during the period of October and November of 2002 are set forth below the claim.

“1. (original) An interactive risk management systems comprising:
 a computer including:
 a processor;
 an input device;
 a display for displaying a graphic user interface including a browser;
 a memory; and
 a mapping of a plurality of processes and at least one risk message associated with at least one of the plurality of processes stored in the memory;
 wherein the processor, in response to user selections through the input device, displays to the user through the browser the mapping of the plurality of processes, with each of a set of the displayed processes having an associated user actuatable display region; and
 wherein the processor, in response to user actuation of an actutable display region of a selected process, displays to the user through the browser at least one risk message associated with the selected process, thereby allowing the user to gain information about the selected process and its associated risks.”

My assignment was to create “an interactive risk management system” as set forth in the first line of claim 1. The system was to operate on a general purpose computer which includes each of the elements of “a processor; an input device; a display device for displaying a graphic user interface including a browser; and a memory” as recited in claim 1. The VISIO® program referred to above was populated by me with “a mapping of a plurality of processes and at least one risk message associated with at least one of the plurality of processes” which were functionally “stored in the memory” as further required by claim 1.

The system performed in response to my selections as the user manipulated the cursor via the mouse to display the mapping of the plurality of processes and where each of the set of displayed processes had a region upon which I could “click” and when I clicked on a display region for a given process, a risk message associated with the selected process would be displayed on the screen to provide information about the selected process and its associated risk. These aspects of the system that I developed under Mr. Peterson’s direction during the period October/November 2002 are described in the final two paragraphs of claim 1, beginning with the word “wherein”.

6. Referring to claim 2, as will be apparent to one familiar with this business, the system must be made available to a significant number of employees involved with managing the operations, processes and the associated risks of a banking or financial institution and IMAG conducted its business with the understanding that a network would be provided by the user of its systems, as set forth in claim 2.

7. It was well known in the art at the time in 2002 that the computer network could be operated as an Intranet as required by claim 3; or that the system could operate over the Internet. Since IMAG’s customers typically maintained international operations, the internet

was commonly used as the basis for establishing communications from between offices and operations located in different states and even countries.

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10. I have no doubt that the work that I have described above in developing the system and method of claims 1 and 12 was undertaken in October and November of 2002. In connection with the first commercial presentation of this new system and methodology, I

prepared a front piece for use by Mr. Peterson. Attached is a color reproduction from my office computer file of that front piece that is identified as RPC Exhibit A-1. It is a multi-color disk format showing each of the five rings is in a different color and each is divided into subject matter relevant to the processes and operations of the institution, which in this case was a bank.

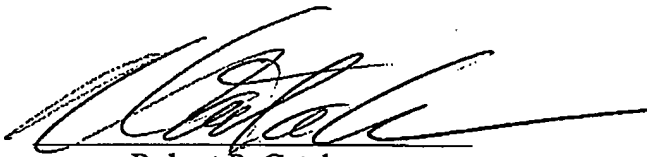
In the terms of claims 1 and 12, each one of the segments in the adjacent rings of RPC Exhibit A-1 is an "actuatable display region". By clicking on one of those segments, the mapping program was accessed and the underlying process would begin to be displayed in formats comparable to that described by me above with reference to RPC Exhibits A2 through A-7. Beginning with a mouse click of the cursor on one of the segments, the user can drill down through as many layers of the process map as desired and identify risk messages along the way. Risk messages also included hyperlinks to relevant rules and/or laws.

An operable prototype was developed by me during the period of October/November 2002 which included the operation of the system and method of claims 1 and 12, respectively. The prototype was based on generally accepted industry practice for the Account Opening process. This prototype was demonstrated to a potential customer on December 12, 2002.

I have diligently searched my computer storage and find no entries corresponding to the development work done during the period October/November 2002 other than RPC Exhibit A-1. This is not surprising, since customer acceptance of IMAG's new mapping system corresponding to claim 1 was an immediate commercial success and the first customer's project was completed and delivered on or about January 2003.

I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment or both under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of this application or any patent issued thereon.

Date: June 23, 2008



Robert P. Catalano